

FISCAL MEMORANDUM
HB 2298 – SB 2292

April 27, 2007

SUMMARY OF AMENDMENT (006725): Prohibits hospitals from charging an uninsured patient an amount which exceeds 175 percent of the cost for the services which will be calculated using the cost to charge ratio as defined in the amendment.

FISCAL IMPACT OF ORIGINAL BILL:

Other Fiscal Impact – Could lead to an increase in hospital rates to cover the loss of revenues from the discounted prices offered to self-pay patients which could result in an increase in expenditures for the state and local govt. health insurance plans and an increase to the TennCare program MCOs reimbursement to hospitals.

Potential Impact on Health Insurance Premiums (required by Tenn. Code Ann. § 3-2-111): Any increase in hospital rates will result in an increase in health insurance premiums which cannot be determined.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures – Not Significant
Increase State Revenues – Not Significant

Assumptions applied to amendment:

- There will not be a significant increase in expenditures for the Board for Licensing Health Care Facilities to inform hospitals of the new requirements and investigate any complaints that may occur.
- All health related boards, by statute, are self-supporting such that revenues equal expenditures.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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